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NAVAL POSTGRADUATE SCHOOL

MONTEREY, CALIFORNIA

THESIS

**BRIDGING THE STRAIT: IMPLICATIONS FOR JAPAN AND
THE UNITED STATES FOLLOWING A PEACEFUL
REUNIFICATION OF CHINA AND TAIWAN**

by

Donald Joseph Curran III

December 2007

Thesis Advisor:
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**BRIDGING THE STRAIT: IMPLICATIONS FOR JAPAN AND THE UNITED STATES
FOLLOWING A PEACEFUL REUNIFICATION OF CHINA AND TAIWAN**

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Lieutenant, United States Navy
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Submitted in partial fulfillment of the
requirements for the degree of

MASTER OF ARTS IN NATIONAL SECURITY AFFAIRS

from the

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ABSTRACT

Ever since the Nationalist Party retreated from the Chinese mainland to the island of Taiwan after its defeat in the Chinese civil war by the Chinese Communists in 1949, China has been a divided country. The division has provoked tensions and occasionally hostilities across the Taiwan Strait. Debate and speculation have long surrounded the possible political unification of Taiwan with the mainland. Unification would have far-reaching implications for security, economic relations, and political ties in Asia as a whole. It would force Japan and the United States to re-examine their positions in the region.

The major question to be addressed by this thesis is: what would be the strategic implications for Japan and by extension the United States if China and Taiwan were to reunify peacefully? The ramifications for both countries will be different based on a number of factors, including historical, military, and socio-political considerations. The relationship between Japan and the United States would be altered based on the peaceful reunification of China and Taiwan. This thesis concludes that Japan would find itself in a less secure security context while the United States would be able to focus its military attention elsewhere.

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I. INTRODUCTION

A. PURPOSE

Ever since the Nationalist Party retreated from the Chinese mainland to the island of Taiwan after its defeat in the Chinese civil war by the Chinese Communists in 1949, China has been a divided country. The division has provoked tensions and occasionally hostilities across the Taiwan Strait. Debate and speculation have long surrounded the possible political unification of Taiwan with the mainland. Unification would have far-reaching implications for security, economic relations, and political ties in Asia as a whole. It would force Japan and the United States to re-examine their positions in the region. This thesis examines the strategic consequences of Taiwan-mainland reunification as it would affect Japan and by extension the United States.

B. SIGNIFICANCE

Over the past thirty years, both China and Taiwan have grown into economic powers in their own right. Both China and Taiwan are among Japan's and the United States' top ten trading partners.¹ The question arises how these relationships would be affected by a unification of China and Taiwan. Future trends in Taiwan's politics are unclear.² There are political factions that wish to reunify with mainland China, others who wish Taiwan to become an independent state, and still others who wish for the status quo to remain.³ The relationships that Taiwan currently maintains with the United States and Japan are important to each side of the relationship. These associations would no doubt be affected by a peaceful reunification of Taiwan with the mainland.

¹ Daniel Workman, "Japan's Trade Buddies," 05 January 2007, http://internationaltrade.suite101.com/article.cfm/japan_s_trade_buddies. (accessed 06 February 2007); Daniel Workman, "America's Trade Buddies," 21 November 2007, http://internationaltrade.suite101.com/article.cfm/america_s_trade_buddies. (accessed 06 February 2007).

² Taiwan Politics: Political Outlook for 2007-08, EIU ViewsWire, 27 November 2006.

³ John J. Tkacik, Jr., "America's Stake in Taiwan," (Washington, D.C.: The Heritage Foundation 2007), 1-2.

Recent events show that the possibility of a peaceful reunification of Taiwan with mainland China is not entirely outside the realm of possibility. Lien Chen and James Soong, leaders of the KMT and the People First Party and two of Taiwan's top conservative political leaders, traveled to China in 2005 and were met with great enthusiasm.⁴ As recently as the elections of 2000 and 2004, candidates running on a platform of reunification were nearly elected president of Taiwan.⁵ This fact illustrates the dichotomy that exists in the politics of Taiwan today.

An extensive body of literature has addressed resolution of the China-Taiwan unification issue. It may become possible for China to decide to retake Taiwan by force and conquer the island militarily. Another possibility would be the converse of that scenario, where by Taiwan would conquer mainland China by force during a time of great unrest on the mainland. There are also several situations where a negotiated settlement could be reached.⁶ This may be in the form of "one China, two systems," Taiwan could become a province of China, or perhaps once democracy has found its way to China, Taiwan would rejoin the mainland.⁷ This thesis focuses on the peaceful paths of possible reunification. Among these several different possibilities, two main positions have dominated the debate. At this point all possibilities are purely speculative because no one really knows for sure whether or how the issue of reunification will ultimately be resolved. The manner in which reunification were to occur would have great impact on the future course of international relation regarding the three countries. Every offshoot in the future would be path dependent on the resolution of the conflict.⁸ The purpose of this thesis is not to determine which viewpoint has the most merit, but rather to examine the ramifications for Japan and the United States should a reunification occur.

⁴ Thomas Clouse, "Taiwan and China Play at brinksmanship," *Global Finance*, New York: June 2005, Vol. 19, Iss. 6, 8, 1

⁵ Tkacik, "America's Stake in Taiwan," 6.

⁶ Zalmay M. Khalilzad, Abram N. Shulsky, Daniel L. Byman, Roger Cliff, David T. Orletsky, David Shlapak, and Ashley J. Tellis, *The United States and a Rising China: Strategic and Military Implications*. (Santa Monica, CA: Rand Corporation, 1999), 66.

⁷ Richard C. Bush, *Untying the Knot: Making Peace in the Taiwan Strait*. (Washington, D.C.: The Brookings Institute, 2005), 36.

⁸ Richard Stubbs, *Rethinking Asia's Economic Miracle*, (Houndsmill, England: Plagrave McMillan, 2005), 31-32.

Under the “one China, two systems” policy, Taipei would accept that Taiwan is indeed part of China and that the People’s Republic is the legitimate government of China, but Beijing would still allow it retain certain aspects of autonomy. While opinion surveys among Taiwan’s people have concluded this to be popular,⁹ the interpretations of the degree of autonomy on the mainland differ from those on Taiwan. Some in academia in Taiwan do not believe the “one China, two systems” policy is a viable option for reunification. Many of the indigenous population believe that there is no room for this type of prescription in Chinese politics today. This is in no small part due to the demographic makeup of the island. As of 2000, 84 percent of the island was Taiwanese in terms of birth, with the remaining 16 percent being of mainland or aboriginal descent.¹⁰

Another group believes that reunification will never take place and that independence is the future of Taiwan. Taiwan’s current president, Chen Shui-bian, said in his 2007 New Year’s address:

Our country, Taiwan, has a total land area of 36,000 square kilometers. The sovereignty of Taiwan belongs to its 23 million people, not to the People's Republic of China. Only the people of Taiwan have the right to decide Taiwan's future. Meanwhile, Taiwan is a part of the world, not a part of China.¹¹

This statement, combined with the results of recent polling data, shows a desire for mainland China to recognize that Taiwan is already an independent nation and to begin to deal with it as such.¹²

⁹ Philip Beckman, “One China?,” *The Washington Post*, December 25, 2001, A.32, 07 February 2007.

¹⁰ Robert Scalapino, “Taiwan—Opportunities and Challenges,” in Alexander C. Tan, Steve Chan, and Calvin Jillson, ed. *Taiwan’s National Security: Dilemmas and Opportunities*, (Burlington, VT: Ashgate Publishing Limited, 2001), 3.

¹¹ Chen Shui-bian, “President Chen’s New Year Message,” 01 January 2007, The Office of the President of the Republic of China.

¹² Chen Shui-bian, “President Chen’s New Year Message,” 01 January 2007, In his speech to the nation on January 1, 2007, President Chen quoted Mainland Affairs Council opinion poll numbers of 75.8 percent of respondents supported the government's ongoing efforts to promote Taiwan's participation in the United Nations, and over 70 percent approved of applying for UN membership under the name Taiwan.

While there is much emotion on all sides of the reunification issue, the China/Taiwan reunification debate can also be placed in theoretical context. Several theories specifically come to mind with regard to unification and the ramifications for Japan: balance of power theory, bandwagoning theory, deterrence, and sanctions versus positive incentives. These theories may prove helpful in providing a conceptual model of analysis.

The major question to be addressed by this thesis is: what would be the strategic implications for Japan and by extension the United States if China and Taiwan were to reunify peacefully? This thesis will also study the political and economic factors that would affect the military aspects as well.

C. METHODOLOGY AND SOURCES

This thesis analyzes the current political, economic and military situation in East Asia specifically as it relates to China, Taiwan, Japan, and the United States. This investigation is used to determine possible regional military, political, and economic concerns in the event of a peaceful reunification of China and Taiwan. Specific attention is paid to the strategic concerns for Japan and the United States with the loss of such a key regional asset, as well as the possibility of an Asian arms race. This thesis concludes with, recommendations for Japanese courses of action.

There are numerous secondary sources that treat this subject. The governments in each of the countries have put forward official documents pertinent to this thesis. An extensive amount of primary sources exist as well, and these sources are used whenever applicable. Interview transcripts from policy makers are also utilized when appropriate.

D. ROAD MAP

Chapter II addresses the historical relations between Japan, China, and the United States. The ramifications of a unification of China and Taiwan as related to Japan and by extension the United States are largely based upon the historical record between the three nations. This thesis only deals with the more recent relations between the two

civilizations dating back to the Sino-Japanese War of 1894-1895. From this starting point the issues affecting the evolution of the relationship are illustrated. It is also important to address the relationship between the United States and China and the United States and Japan. Security in Asia rests firmly upon the back of America. Japan has enjoyed unprecedented freedom from worry with regards to its own security situation thanks to the relationship it has with the United States. Were a change to occur in the status of China and Taiwan, depending upon how and why the alteration arose, the security of Japan could be significantly altered.

Chapter III examines the effects of a combined China and Taiwan militarily, economically, and politically. This chapter addresses the military technology China would benefit from as a result of unifying with Taiwan. The United States has been supplying Taiwan with the sophisticated military technology and hardware, and China would benefit from this greatly. China and Taiwan would also be a most formidable for economically. China is on its way to becoming the largest economy in the world and the addition of Taiwan would mean this would happen sooner. This chapter also considers the political affiliation of the newly unified China and Taiwan. How they are governed will have an impact on relations with other nations in the region.

Chapter IV looks at the Japanese side of the equation. First, the military situation is discussed. The implications for a combined China and Taiwan have definite ramifications for the future of the Japanese mainland. There is a contingent in the Japan that believes this could stimulate revision of Article Nine of the constitution the transformation and the Self Defense Force into a full-fledged national military. Past foreign policy decisions are looked at in order to help project how a future unification of China and Taiwan may affect Japan's policy choices regarding China. The economic interdependence of China, Japan and Taiwan are examined as well. This is an interesting facet of the relationship as it has continued to grow despite other differences. The implications upon the U.S.-Japan relationship are also discussed in this chapter.

Chapter V concludes with specific recommendations and observations about the implications of a unified China and Taiwan for Japan and by extension the United States.

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II. HISTORICAL RELATIONS

A. CHINA AND TAIWAN

This thesis addresses some of historical sovereignty perceptions of China, Taiwan, and Japan in order to build a framework for the analysis. While Taiwan first became part of the Qing Empire in 1684, it was not until 1887 that it was recognized as a province.¹³ Provincial status lasted for less than a decade when Japan and the Qing Empire went to war with each other in the 1894-1895 Sino-Japanese War over Korea. As part of the settlement of this war, Taiwan was ceded to Japan in 1895. As a result, Taiwan was a Japanese colony until the end of World War II in 1945. The Japanese were responsible for helping to modernize the island of Taiwan. Following WWII, the Republic of China (ROC) under Chiang Kai-shek asserted sovereignty over Taiwan, but as a result of the Chinese civil war fought between the Chinese Communist Party (CCP) and the ruling ROC led by the Nationalist Party (KMT) the island became the home of the displaced Nationalist government. From the first, the victorious CCP claimed that Taiwan was a part of China, now governed by the People's Republic of China (PRC, but the ROC rejected the surrender demands of the CCP and claimed itself to continue as the sole legitimate government of all of China. It was not until 1945, when the KMT set up operations on the island, that it was first administered by a Chinese nation-state. These conflicting dates are the origin of much of the debate today regarding the sovereignty of Taiwan.

China was traditionally the hegemonic culture of East Asia. As a result of the 1839-41 Opium War, The Qing Empire was forced by Great Britain to use Western conventions of international relations in dealing with the West and found itself in a less than hegemonic role ever since. This began what contemporary Chinese recall as a “century of humiliation,” motivating them to recover its once prominent position in Asia

¹³ John R. Sheperd, “The Island Frontier of Ch’ing, 1684-1780,” in Murray Rubenstein, ed. *Taiwan a New History*. (Armonk, NY: East Gate Book, 1999), 109.

as well as the rest of the world.¹⁴ Given China's rise in the last three decades, they are well on their way to erasing this time period from their collective memory.

B. CHINA AND THE UNITED STATES

The United States and China have shared a long, ever evolving history since their first interactions in the 1780s.¹⁵ In 1844, the United States capitalized on the British victory in the Opium War and demanded most favored nation status of its own. Since then, there have been several events in the history of U.S.-China relations that have served to shape the relationship into what it is today. At times the United States and China have been antagonistic, and at times there has been a sense of ambivalence towards each other.

With the loss of the Nationalist party at the hands of the communists in 1949 and subsequent retreat of Chiang Kai-shek and his compatriots to the island Taiwan, the status of Taiwan has since had greater impact on the U.S.-China relationship than any other issue.¹⁶ Even before WWII, China had been embroiled in a civil war between the communists and the Kuomintang (KMT).¹⁷ The United States recognized the ROC, led by the KMT and its charismatic leader Chiang Kai-shek. For a variety of reasons, in the years following WWII, the KMT was defeated by the communists. After the KMT lost its foothold on the mainland in 1949, the United States was ready to give up on its relationship with the KMT and begin to establish ties with the communists.¹⁸ It was the

¹⁴ Rhoads Murphey, *East Asia a New History*, (New York, NY: Pearson Education, Inc., 2007), 286.

¹⁵ Immanuel Hsu, *The Rise of Modern China*, (New York, NY: Oxford University Press, 2000), 144.

¹⁶ Richard Bush, *Untying the Knot: Making Peace in the Taiwan Strait*, (Washington, D.C.: Brookings Institute Press, 2005), 3.

¹⁷ Jung Chang, *The Unknown Story of Mao*, (New York, NY: Anchor Books, 2006). This book lays out the entire history of the rise of Mao to power including his thirty year long struggle with the Nationalist Party for control of China.

¹⁸ Keith Maguire, *The Rise of Modern Taiwan*, (Hampshire, England: Ashgate Publishing Limited, 1998), 131.

outbreak of the Korean War that forced American politicians to re-examine the importance of the island of Taiwan as a buttress against the expansion of communist aggression.¹⁹

During the 1960s, the Nixon administration began to believe the possibility of direct conflict with the PRC over Indochina was a reality.²⁰ President Nixon authorized Henry Kissinger to begin a secret channel of communication with the communists on the mainland at that time. The culmination of this dialogue was Dr. Kissinger's trip to the PRC in 1971. It was not until 1972, however that the United States began to reestablish formal ties with the CCP on the mainland.²¹ The international view of communism had begun to change. It was no longer viewed as a monolithic belief, but was seen as having a U.S.S.R. camp and a CCP camp.²² In 1979 the United States officially recognized the PRC as the government of China and ceased formal relations with the government on Taiwan. At this time the United States also began a formal trade relationship with the PRC.²³ Following this the PRC began its economic reforms and transition to a market economy, a process that has advanced through the 1990s.²⁴ This was in no small part due to the PRC's relationship with the United States.

Trade between the two countries has risen every year since. Currently China is the U.S.'s fourth largest export partner and the United States is at the very top of China's trade partner list.²⁵ The economic interdependence of the two countries grows every year. China currently holds \$1.3 trillion in U.S. foreign reserves.²⁶ There was speculation that

¹⁹ Maguire, 133.

²⁰ Murry Rubenstein, *Taiwan a New History*, (Armonk, NY: M.E. Sahrpe Inc., 1999), 437.

²¹ Joint Communiqué of The United States of America and The People's Republic of China, February 28, 1972.

²² Maguire, 135.

²³ Joint Communiqué on the Establishment of Diplomatic Relations Between The United States of American and The People's Republic of China, 15 December 1978.

²⁴ Barry Naughton, *The Chinese Economy: Transitions and Growth*, (Cambridge, MA: MIT Press, 2007), 85.

²⁵ Workman, (accessed 06 September 2007).

²⁶ Ambrose Evans-Pritchard, "China Threatens 'Nuclear Option' of Dollar Sales," *London Telegraph*, 8 September 2007.

this large holding could be used as a weapon against the United States in order to destroy the economy, but this move would obviously have repercussions in China as well. Even following the Tiananmen Square Incident of 1989, the United States did not cut off trade relations totally, but did impose sanctions on some economic interactions. This was more due to investor uncertainty in the stability of the Chinese market than anything else.²⁷

While economically the relationship has remained strong, there have been political and military issues that have arisen. In 1995 United States granted a visa to the president of Taiwan in order to speak at Cornell University.²⁸ The PRC leadership viewed this as the United States Government endorsing Taiwan's quest for independence.²⁹ As a response to this the PRC decided it should show the Taiwanese people the United States lacked the will power to stand up for the people of Taiwan. The PRC lobbed missiles close to the island of Taiwan. It did not count on the resolve of the Clinton administration to maintain peace in the region.³⁰ The U.S. government sent two aircraft carrier battle groups to the Strait as an answer. This sent the message that the United States was committed to the peaceful resolution of the Taiwan Strait issue. Not necessarily that the United States was in support of either side. More recently there has been the issue of a Navy P-3 aircraft colliding with a Chinese fighter aircraft in 2001 and a Chinese submarine surfacing in the midst of a U.S. carrier battle group in 2006. These incidents have led to increased mistrust and reservations about the rapid and multifaceted modernization of the Chinese military.

C. CHINA AND JAPAN

China's rise and the reemergence of Japan as a regional leader have put these two nations on a collision course for dominance as Asia's next great power.³¹ This does not

²⁷ Naughton, 403.

²⁸ Rubenstein, 448.

²⁹ Nancy Tucker, *Dangerous Strait: The U.S.-China-Taiwan Crisis*, (New York, NY: Columbia University Press, 2004), 195.

³⁰ Ibid., 196.

³¹ James Kelly, *Sino-Japanese Rivalry: Implications for U.S. Policy*, (Washington, D.C.: Institute for National Strategic Studies, 2007), 1.

necessarily mean it will come to war, but competition is fierce. As both countries become more involved globally, there will be more instances for rivalry as well as cooperation. While the relationship has become more amenable in the past few decades, there is still much distrust on both sides. Much of this stems from the fact that both nations have long collective memories.

Since the 1894 Japan and China have been involved in two major wars. The first was the Sino-Japanese War of 1894-1895 at the end of which Japan gained control of Taiwan. The second was from 1937-1945, the end of WWII, at which time Japan was forced to give back control of Taiwan to China. One point of contention is to whom control of Taiwan reverted. Some believe it reverted to Nationalist control, while others say it remained undecided.³²

Japan, being an island nation, knew that its need for natural resources could not be met by indigenous sources alone. Japan also viewed the Nationalist government on the mainland of China as weakened by its continued war with the communists.³³ The Japanese were attempting to become an imperial power in the design of the Western nations. For these reasons, Japan developed the Greater East Asia Co-Prosperity Sphere. Japan was a brutal adversary. One particular incident, known as “The rape of Nanking,” involved the murder by Japanese troops of some 100,000 Chinese civilians.³⁴ According to some estimates, over 3 million Chinese military members and over 9 million civilians were killed during the eight years of the Second Sino-Japanese War.³⁵ While this brutality is still on the minds of many Chinese, it also weighs heavily in the actions taken by Japan when dealing with its Asian neighbors.³⁶ The historical legacy of Japanese atrocities will not soon be forgotten.

³² Bush, 18-19.

³³ James McClain, *Japan: A Modern History*, (New York, NY: W.W. Norton and Company, 2002), 471.

³⁴ Hsu, 584.

³⁵ “Sino-Japanese War-Major Invasion of Eastern China by Japan,” <http://www.japan-101.com/history/sino1.htm>, (accessed 07 September 2007).

³⁶ Bhubhindar Singh, “ASEAN’s Perceptions of Japan: Change and Continuity,” *Asian Survey* Vol. 42:2, 2002, 18; Hsu, 753.

During the Cold War, Japan followed America's lead regarding relations with the PRC. This was largely due to the fact that in the early years following WWII, the United States persuaded the Japanese government to limit its interactions with the communist government of China.³⁷ In 1972, only after the United States signed the Shanghai communiqué with the PRC, did Japan sign one of its own.³⁸ It was at that time that Japan recognized the PRC as the legitimate government of China. However, it was not until six years later that Japan and China finally signed their Peace and Friendship Treaty.³⁹ This was due to the fact that both Japan and China could not agree on the terms regarding an attempt by either side to become the hegemonic power of Asia as well as to oppose any power that attempted to become such.⁴⁰ In addition to the anti-hegemony clause, there was a provision that stated the treaty was to play no role in either country's dealings with a third state.

The Japanese government was initially surprised by the United States lack of consultation on the opening of relations with the PRC.⁴¹ Only three minutes prior to President Nixon's announcement of the new relationship with the PRC was the Japanese prime minister informed.⁴² While the Japanese government was pleased to be able to develop a new relationship with China, it was also more wary of its own relationship of the United States than before. In an attempt to strengthen the new relationship, Chinese Premier Zhou Enlai agreed to the terms Japan had with Taiwan regarding not paying

³⁷ Kenneth Pyle, *Japan Rising: The Resurgence of Japanese Power and Purpose*, (Cambridge, MA: The Century Foundation, 2007), 317.

³⁸ Joint Communiqué of the Government of Japan and the Government of The People's Republic of China, 29 September 1972.

³⁹ Sino-Japanese Treaty of Peace and Friendship, 12 August 1978.

⁴⁰ Yutaka Kawashima, *Japanese Foreign Policy at the Cross Roads: Challenges and Options for the Twenty-First Century*, (Washington, D.C.: Brookings Institution Press, 2003), 98.

⁴¹ Pyle, 319.

⁴² Ibid.

reparations.⁴³ Later the PRC would come to lament this resolution. Later amid protests from the PRC government, Japan acquiesced and offered economic aid as a form of reparations.⁴⁴

A point of constant contention between Japan and much of the rest of Asia, including China, has been the Yasukuni shrine. The shrine was commissioned by the Meiji Emperor in 1869. Since that time it has become to be revered as the site at which to pay homage to the over 2 million souls of Japan's war dead. The controversy is that there are fourteen Class A war criminals, including the infamous Prime Minister Tojo Hideki in that number. Only two Japanese prime ministers have visited the shrine, Yasuhiro Nakasone in 1985 and Junichiro Koizumi as recently as 2006.⁴⁵ There has been no louder criticism of the visits than that of the PRC.

China is wary of the reemergence of the Japanese military and Japan is concerned about China's massive military modernization efforts.⁴⁶ The inclusion of Taiwan, its weaponry, and the technology it has accumulated from its relationship with the United States over the years, would do nothing to assuage the tensions of this regional rivalry. Nationalist sentiment in both countries continues to grow and anti-Japanese and anti-Chinese sentiment is at the heart of it for the respective countries.⁴⁷ There have been accusations by the governments of these two countries that the other has not done much to discourage this animosity; conversely their policies have continued to fuel it.⁴⁸ China is one of the major barriers to Japan joining the United Nations Security council.⁴⁹ Neither is China keen for Japan to play a larger role militarily in Asia.

⁴³ Pyle, 325.

⁴⁴ Ibid., 326.

⁴⁵ "Japan's Controversial Shrine," BBC News, August 15 2006, <http://news.bbc.co.uk/2/hi/asia-pacific/1330223.stm>, (accessed 07 September 2007).

⁴⁶ Jian Yang, "Sino-Japanese Relations: Implications for Southeast Asia," *Contemporary Southeast Asia*, August 2003, Vol. 25, Iss. 2, 306.

⁴⁷ Danielle Cohen and Minxin Pei, "A Vicious Sino-Japanese Cycle of Rhetoric," *Financial Times*, London, 21 December 2005, 13.

⁴⁸ Jonathan Lemco and Scott MacDonald, "Sino-Japanese Relations: Competition and Cooperation," *Current History*, Vol. 101, September 2006, 292.

⁴⁹ Michael Green, *Japan's Reluctant Realism: Foreign Power Challenges in an Era of Uncertain Power*, (New York, NY: Pelgrave Publishing, 2003), 205.

Japan and China have also had territorial disputes over the years. The Senkaku Islands are a small group of islands which lie in the East China Sea between Japan, China, and Taiwan. All three claim sovereignty over these islands. It is not so much that the islands that are important, but that the oil and natural gas in the East China Sea that are of consequence.⁵⁰ Whoever controls the islands would be able to push its claim to the sea bed reserves out further in to the sea, which would in turn allow for a larger portion of the rewards found underneath. Japan is becoming more and more concerned about securing sources of oil and natural gas.⁵¹ This concern for resource protectionism means that this dispute is not likely to be resolved anytime soon.

D. JAPAN AND THE UNITED STATES

The relationship between Japan and the United States started at the barrel of a gun, both with Commodore Perry in 1853 and again in modern times with General Macarthur.⁵² Following WWII, the United States and Japan formed a significant relationship that has endured to this day. The United States was the chief architect of Japan's political order following its defeat at the hands of the allies in WWII. The defense arrangement that the two countries came to in 1951 has proved to be mutually beneficial for both countries on many fronts. With the United States ensuring the security of Japan this meant the Japanese were able to focus on their economy.⁵³ The arrangement provides for the United States a position in the Far East in which to maintain facilities and areas. But, with the end of the Cold War, the value of the continued U.S-Japan security alliance came under close scrutiny.

During the 1970s Japan and the United States began to develop an economic rivalry.⁵⁴ By the 1960s, the Japanese economy grew at spectacular rates in part to the

⁵⁰ Kelly, 3.

⁵¹ Taro Aso, "Japan's Foreign Policy and Global Energy Security," *OECD Observer*, May 2007, 37.

⁵² McClain, 115, 518.

⁵³ Ted Osius, *The U.S.-Japan Security Alliance: Why it Matters and How to Strengthen It*, (Washington, D.C.: Center for Strategic and International Studies, 2006), Chapter 1.

⁵⁴ Leon Hollerman, "Japan's Economic Impact on the United States," *Annals of the American Academy of Political and Social Science*, Vol. 460, March 1982, 127.

security blanket provided by the United States. As a result of this, the nature of the U.S.-Japan relationship was changing. No longer did the economic success of Japan depend entirely on the U.S. economy.⁵⁵ The trade link between the two countries led to a U.S. deficit in favor of Japan. As a result U.S. workers and consumers began to call for limits on Japanese goods and investment in U.S. markets.⁵⁶ In response to the American job losses and subsequent public and political friction over the perceived take over by the Japanese, Japan placed self-imposed limits on its imports.⁵⁷

With the decline of Soviet power and rise of Japanese economic power, security concerns became less important and economic priority gained significance.⁵⁸ The self-imposed restriction on Japanese exports to the United States did little to quell the fears of the American public. Both the American public and politicians began to question the value of the United States continuing its security relationship with Japan as it had since the end of WWII. The perception was that Japan was free riding at the expense of American tax payers for a threat that no longer existed. This belief lasted until the mid 1990, when China launched its missiles at Taiwan and a renewed sense of purpose was given to the U.S.-Japan alliance.⁵⁹

Just as things in the U.S. - Japan relationship appeared to have found a new sense of purpose, the September 1995 rape by several U.S. service members of a young Japanese girl in Okinawa occurred.⁶⁰ The Japanese public began to see the U.S. presence in Japan, and Okinawa especially, as a threat to the Japanese public's safety. The response the Japanese public wanted was two fold. First it wanted to see the Status of Forces Agreement (SOFA) between the United States and Japan revised. Second, it wanted the bases moved out of the more populated areas.⁶¹ The United States agreed to

⁵⁵ Hollerman, 130.

⁵⁶ Edson Spencer, "Japan as Competitor," *Foreign Policy*, No. 78, Spring 1990, 158.

⁵⁷ Hollerman, 127.

⁵⁸ Yoichi Funabashi, *Alliance Adrift*, (New York, NY: Council of Foreign Relations Press, 1999, v.

⁵⁹ Osirus, 24.

⁶⁰ Michele Alison, "U.S. Military Role in East Asia Gets support in Tokyo," *New York Times*, 17 April 1996, A-1.

⁶¹ Funabashi, 306.

work on moving the bases, but was unwilling to review the SOFA due to the fact that it would mean reviewing all such agreements the United States maintained with its other partners world wide.

While the U.S. - Japan relationship has gained strength in recent years, there has also been at times a sense of being second to the U.S.-China relationship. In the dispute over the Senkaku Islands, the United States has always remained neutral. The Japanese viewed this as the United States not wanting to upset the U.S. – China relationship at the cost of the relationship Japan and the United States shared.⁶² This was but one test the Chinese would pose between the relationship of the United States and Japan.

⁶² Funabashi, 438.

III. CHINA AND TAIWAN UNIFIED

A. INTRODUCTION

Important in assessing the international impact as well as the internal relationship of the newly unified China and Taiwan will be how unification occurred. For the purposes of this thesis unification is posited as peaceful. But peaceful unification may come about via are several different avenues. Were china and Taiwan to unify peacefully, the newly combined nation stands to gain advanced weaponry from the relationship shared by the United States and Taiwan. This would present a definite advantage over regional adversaries. China and Taiwan are economically interdependent already to a certain degree. The combination of these two economies even further would make it one of the most economically powerful nations in the world.

B. CHINA'S GAINED MILITARY COMPONENT

When the Nationalist government was forced to retreat to Taiwan in 1949, the United States was not keen to intervene in the civil war between the Nationalists and the communists.⁶³ Only after the beginning of the Korean War in 1950 did the United States begin to back the KMT on Taiwan.⁶⁴ Since that time, Taiwan has benefited from military assistance from the United States. This backing has come in the form of both arms and financial aid. With the help of its American benefactor, Taiwan was able to maintain its independence from China for over fifty years. This was due in no small part to the advanced weaponry provided by its ally across the Pacific. With the peaceful unification of China and Taiwan, mainland China would be the new beneficiary of this technology.

In recent years Taiwan's defense budget has dwindled because of political controversy.⁶⁵ Even so, the quality and quantity of arms possessed by Taiwan which are

⁶³ Rubenstein, 321.

⁶⁴ Ibid.

⁶⁵ Shirley Kan , *Taiwan: Major US Arms Sales Since 1990*, (Washington, D.C.: Congressional Research Service, 12 July 2007), 23.

of U.S. origin remains quite substantial. The two branches of service that have benefited the most from this partnership are the Navy and the Air Force.⁶⁶ While the army would not be in the shape it is today without U.S. assistance, the Navy and Air Force are the driving power of the Taiwanese military. This more advanced technology would prove quite useful to the Chinese were a peaceful unification between Taiwan and the Mainland to occur.

In 2001, the United States government approved the sale of four decommissioned Kidd-class destroyers to Taiwan.⁶⁷ While the United States is still thinking through its decision to provide Taiwan with Aegis technology, it has approved and delivered four refurbished Kidd-class destroyers. While these destroyers were no longer being used by the U.S. military, they were refitted with more advanced technology than they previously possessed. These newly acquired assets gave the Taiwanese navy an air defense capability against their enemies they did not previously have.⁶⁸

The rest of the Taiwanese fleet is no lightweight either. While the surface force is made up of some older and some newer vessels, compared to most other Asian navies, it is a formidable opponent.⁶⁹ With the above mentioned Kidd-class destroyer, the Taiwanese navy is modernizing for the future. The Taiwanese currently rank sixth on the list of military technology and hardware importers, just behind the People's Republic of

⁶⁶ "Jane's Sentinel Security Assessment-Taiwan Navy," 31 May 2006, http://www8.janes.com.libproxy.nps.edu/JDIC/JMSA/documentView.do?docId=/content1/janesdata/binder/jwna/jwna0147.htm@current&pageSelected=&keyword=&backPath=http://jmsa.janes.com/JDIC/JMSA&Prod_Name=JWNA&activeNav=http://www8.janes.com/JDIC/JMSA, (accessed 04 June 2007);

"Jane's Sentinel Security Assessment-Taiwan Air Force," 22 March 2007, http://www8.janes.com.libproxy.nps.edu/JDIC/JMSA/documentView.do?docId=/content1/janesdata/binder/jwaf/jwafa261.htm@current&pageSelected=&keyword=&backPath=http://jmsa.janes.com/JDIC/JMSA&Prod_Name=JWAF&activeNav=http://www8.janes.com/JDIC/JMSA, (accessed 04 June 2007).

⁶⁷ Kan, 7.

⁶⁸ Jane's Taiwan Navy Assessment, 31 May 2006.

⁶⁹ This statement is based on several Asian countries naval assessments obtained from the Jane's Military and Security website, <http://jmsa.janes.com.libproxy.nps.edu/JDIC/JMSA/return.do?node=%3eAsia&treeName=ZCountryRoot>, (accessed 05 June 2007).

China, which is fifth.⁷⁰ The Navy is currently in production of a class of advanced patrol boats which will employ the most advanced Anti Surface Cruise Missiles Taiwan has.⁷¹

Taiwan has a meager submarine force of its own. The submarines it does possess are Dutch-built Zwaardiss-class diesel powered attack boats.⁷² While Taiwan may only own two attack submarines in its fleet, it does have the deep water ports to facilitate submarine basing. The People's Liberation Army Navy (PLAN) would be able to project further off the coast and out into the Pacific. This could be a way to disrupt the Sea Lines of Communication (SLOCs) much relied upon by the Japanese economy for the importation of vital resources. The impediment of sea shipments to a country whose economy relies upon over 5 trillion dollars annually in imports could be crippling.⁷³

Taiwan also has an arsenal of quite capable indigenous anti-ship cruise missiles. Currently working on the development of an upgraded ASCM, the Hsiung-feng III, designed specifically to destroy the PLAN Sovremeny class destroyers.⁷⁴ This technology could easily be used against the Japanese Atago-class destroyers as well. These missiles are believed to be better quality than the Russian made SS-N-22 ASCM. The Hsiung-feng III has the ability to be launched from airborne platforms, waterborne platforms, and ground stations. This is just one of the several different varieties possessed by Taiwan. The PLAN would gladly welcome these assets, as well as the rest of the Taiwanese naval assets.

The PLAN is currently broken up into three districts: the North Sea Fleet, the South Sea Fleet, and the East Sea Fleet. The East Sea Fleet is concentrated on Taiwan, while the North Sea Fleet is dedicated to monitoring Japan and the Korean peninsula.⁷⁵ Were the Taiwan issue to be resolved peacefully, the East Sea Fleet would then be able to

⁷⁰ Kan, 2.

⁷¹ Jane's Taiwan Navy Assessment, 31 May 2006.

⁷² Ibid.

⁷³ CIA World Fact Book, Japan, <https://www.cia.gov/library/publications/the-world-factbook/geos/ja.html#Econ>, (accessed 06 June 2007).

⁷⁴ Global Security.org, Hsiung Feng III, <http://www.globalsecurity.org/military/world/taiwan/hf-3.htm>, (accessed 05 June 2007).

⁷⁵ Bernard Cole, *The Great Wall at Sea*, (Annapolis, MD: Naval Institute Press, 2001), 78.

join its North Sea counterpart and focus its attention on Japan and the Korean Peninsula as well. Since the largest of the fleets is the South China Sea Fleet, it is likely that the East Sea Fleet would not be divided among the two other fleets post unification.

Perhaps one of the most important PLAN assets that concern Japan are the intermediate range ballistic missiles (IRBMs) which are able to hit targets on the mainland of Japan.⁷⁶ These missiles have been a large part of China's recent efforts to modernize its military. These missiles are believed to not only be able to attack targets on land, but also Japanese Maritime Self-Defense Force (JMSDF) vessels while on the open ocean. While some JMSDF assets are equipped with the capabilities to combat such threats, the vast majority are not.⁷⁷ The PLAN is working diligently to improve several missile capabilities in order to increase the probability of success in combat.

While Taiwan may not have one of the largest Air Forces in the world, it is qualitatively superior to some that are quantitatively larger.⁷⁸ The Taiwanese fly some of the most advanced aircraft in the world. Their force is comprised of F-16's, Mirage 2000-5's, and the indigenously produced F-CK-1 Ching-Kuo.⁷⁹ These are all current generation fighter aircraft capable of multiple mission roles. Not only do the Taiwanese possess the hardware, but their pilots have received top notch training at facilities in the United States.⁸⁰ The combination of the aircraft and pilots make a lethal pair. This would no doubt be welcomed by the Chinese military.

While the addition of the Taiwanese army to the People Liberation Army (PLA) would be an asset, it would not have the same impact as the addition of the other services. The PLA ground force is currently 1.6 million members strong, while the Taiwanese

⁷⁶ Ronald O'Rourke, *China Naval Modernization: Implications for U.S. Navy Capabilities*, (Washington, D.C.: Congressional Research Service 18 October 2007), 4.

⁷⁷ "Jane's Sentinel Security Assessment-Japanese Maritime Self Defense Force," 31 May, 2007, [http://www8.janes.com.libproxy.nps.edu/JDIC/JMSA/documentView.do?docId=/content1/janesdata/binder/jwna/jwna0078.htm@current&pageSelected=&keyword=&backPath=http://jmsa.janes.com/JDIC/JMSA&Prod_Name=JWNA&activeNav=http://www8.janes.com/JDIC/JMSA,\(accessed 04 June 2007\).](http://www8.janes.com.libproxy.nps.edu/JDIC/JMSA/documentView.do?docId=/content1/janesdata/binder/jwna/jwna0078.htm@current&pageSelected=&keyword=&backPath=http://jmsa.janes.com/JDIC/JMSA&Prod_Name=JWNA&activeNav=http://www8.janes.com/JDIC/JMSA,(accessed 04 June 2007).)

⁷⁸ Jane's Taiwan Air Force Assessment, 22 March 2007.

⁷⁹ Ibid.

⁸⁰ Kan, 3.

army only has 200,000 members.⁸¹ The Taiwanese army suffers from low morale, poorly maintained equipment, and unmotivated senior enlisted personnel.⁸² Considering these facts, it may be more effective for the PLA to disband the Taiwanese army all together and garrison PLA troops in Taiwan. Since Taiwan would be a part of China, this scenario should not present a problem depending on the path chose to unify the two.

The military of the PRC is already a formidable force. On paper, this is the largest military in the world. The modernization of the PLAN surface fleet is focused on defeating a U. S. carrier strike group deployed to the Strait to interdict on behalf of Taiwan. With this contingency out of the way, the PLAN could begin to make preparations for a larger role in the areas peripheral to its vast coastline. The Sovremenniy II class guided missile destroyer's (DDG) main purpose is to carry weapons capable of sinking an aircraft carrier. This class of ship can carry eight Moskit or Yakhont missiles, also known as the SSN-22 Sunburn, which due to their speed and flight profile are difficult to defeat.⁸³

The PLAN is also developing its own surface vessels. The newest class is the Luzhou class DDG. This platform's main function is as an AAW platform. Since the Sovremenniy was designed to act as one component of a larger battle fleet, the addition of the Luzhou and the other indigenous ships with AAW capabilities is a critical piece in a scenario involving a battle with the JMSDF or the permutation that exists following China and Taiwan's unification.

China is also developing a modern submarine force. It appears that rather than focusing time and effort on developing an aircraft carrier capability, China has decided to

⁸¹ "Jane's Military and Security Assessments-Personnel Figures and Land Systems in Service," 06 June 2007, http://www8.janes.com.libproxy.nps.edu/JDIC/JMSA/documentView.do?docId=/content1/janesdata/binder/jwar/jwar2539.htm@current&pageSelected=&keyword=personnel_figures&backPath=http://jmsa.janes.com/JDIC/JMSA&Prod_Name=JWAR&activeNav=http://www8.janes.com/JDIC/JMSA, (accessed 06 June 2007).

⁸² "Jane's Sentinel Security Assessment-World Armies, Taiwan," 25 April 2007, http://www8.janes.com.libproxy.nps.edu/JDIC/JMSA/documentView.do?docId=/content1/janesdata/binder/jwar/jwara246.htm@current&pageSelected=&keyword=personnel_figures&backPath=http://jmsa.janes.com/JDIC/JMSA&Prod_Name=JWAR&activeNav=http://www8.janes.com/JDIC/JMSA, (accessed 06 June 2007).

⁸³ Cole, 99.

attempt to exploit a weakness in the U.S. naval ASW capability. While the force is numerically large, much of the older force has antiquated weapons and propulsion systems.⁸⁴ It may seem that the fact that one possesses more of an inferior weapon does not confer an advantage. However, it has been argued that the older submarines could be used as decoy vessels to lure unsuspecting enemy submarines out of hiding in order for the more modern PLAN submarines to attack.

The Air Force arm of the PLA, the PLAAF, is also taking on modernization efforts. The PLAAF leadership realizes that in today's battle space, in order to control any other portion, the first area you must control is the air. To this end, it is incorporating more and more Russian SU-27 and SU-30 aircraft in the arsenal. These capable aircraft are on par with those of the West. However, Western pilots receive more actual time in the cockpit which translates into increased proficiency. The PLAAF is also experiencing the same issues as the PLA and PLAN with regards to joint operations. They are just now beginning to integrate all the branches of the PLAAF during maneuvers, let alone the other branches of service.⁸⁵

The missile force is the most modern force the PLA possesses. It has increased the number of ballistic missiles deployed against Taiwan substantially over the years. Given that the need for this arsenal to be used against Taiwan in compelling a resolution to that situation would no longer exist, the PLA would be able increase the number of weapons in a conflict elsewhere in the region, namely with Japan. Japan and the United States have attempted to counter this with theater missile defense (TMD), which in tests has proven to be a capable system. While defense against attack from North Korea is the explicit reason for the system, it would no doubt prove to be useful in an altercation with the PRC.

⁸⁴ David Shambaugh, *Modernizing China's military: Progress, Problems, and Prospects*, (Berkeley, CA: University of California Press, 2004), 271.

⁸⁵ Kenneth Allen, "PLA Air Force Operations and Modernizations," in Susan Puska ed., *People's Liberation Army After Next*, (SSI, 2000), 233.

Figure 1 shows various statistics of both the Chinese and Taiwanese militaries. The far column offers comparison with the next largest or larger military by category. While independently they are both capable, combined they would become a most formidable opponent.

| China | Nation | Taiwan | Next Largest or Larger |
|---|------------------------------------|---|-------------------------------|
|  | Flag |  | |
| \$81,480,000,000 | <u>Yearly Military Expenditure</u> | \$7,930,000,000 | US is larger |
| 342,956,265 | <u>Available Military Manpower</u> | 5,883,828 | Russia is second |
| 7,024,000 | <u>Total Military Personnel</u> | 1,965,000 | Russia is second |
| 2,255,000 | <u>Active Frontline Personnel</u> | 290,000 | US is second |
| 9,218 | <u>Aircraft</u> | 916 | US is larger |
| 13,200 | <u>Armor</u> | 2,819 | Russia, US, Israel are larger |
| 29,060 | <u>Artillery</u> | 2,040 | Russia is second |
| 18,500 | <u>Missile Defense Systems</u> | 1,499 | US is larger |
| 34,000 | <u>Infantry Support Systems</u> | 1,400 | France is second |
| 284 | <u>Navy Units</u> | 97 | US, DPRK, Russia are larger |
| 7 | <u>Major Ports</u> | 5 | US, DPRK, AUS are second |
| \$81,480,000,000 | <u>Yearly Military Expenditure</u> | \$7,930,000,000 | US is larger |
| 342,956,265 | <u>Available Military Manpower</u> | 5,883,828 | Russia is second |
| 7,024,000 | <u>Total Military Personnel</u> | 1,965,000 | Russia is second |
| 2,255,000 | <u>Active Frontline Personnel</u> | 290,000 | US is second |
| 9,218 | <u>Aircraft</u> | 916 | US is larger |
| 13,200 | <u>Armor</u> | 2,819 | Russia, US, Israel are larger |
| 29,060 | <u>Artillery</u> | 2,040 | Russia is second |
| 18,500 | <u>Missile Defense Systems</u> | 1,499 | US is larger |
| 34,000 | <u>Infantry Support Systems</u> | 1,400 | France is second |
| 284 | <u>Navy Units</u> | 97 | US, DPRK, Russia are larger |
| 7 | <u>Major Ports</u> | 5 | US, DPRK, AUS are second |

Figure 1. Comparison of China-Taiwan military to next largest.⁸⁶

⁸⁶ Globalfirepower.org, Country Comparison, http://www.globalfirepower.com/countries_comparison_detail.asp, (accessed 12 August 2007).

C. ECONOMIC

While it is difficult to measure the actual size of the Chinese economy due to its lack of transparency, some economists have predicted that it will become one the worlds largest in the next several decades, even surpassing the United States.⁸⁷ Japan and Germany are currently numbers two and three respectively in Gross Domestic Product (GDP) according to the World Bank, but China has already passed them both in Purchasing Power Parity (PPP).⁸⁸ The table below illustrates predictions made by Global Insight extrapolating current data as to when exactly the Chinese economy will surpass the United States. This does not take into account the addition of Taiwan into the equation. If it did, the date would move to the left several years.

| | GDP (\$ billions) | | | Per capita income (\$) | | |
|------|-------------------|---------------|------------------------|------------------------|---------------|------------------------|
| | China | United States | China's as a % of U.S. | China | United States | China's as a % of U.S. |
| 2006 | 9,839 | 13,244 | 74.3 | 7,473 | 44,196 | 16.9 |
| 2010 | 13,882 | 16,041 | 86.5 | 10,247 | 51,702 | 19.8 |
| 2015 | 22,210 | 20,169 | 110.1 | 15,838 | 62,309 | 25.4 |
| 2020 | 35,734 | 27,584 | 129.5 | 25,102 | 75,971 | 33.0 |
| 2025 | 57,145 | 35,963 | 158.9 | 39,544 | 92,790 | 42.3 |

Figure 2. Projected Growth of Chinese Economy⁸⁹

⁸⁷ Dominic Wilson and Roopa Purushothaman, "Dreaming With BRICs: the Path to 2050," Goldman Sachs Report 99, 01 October 2003, 4.

⁸⁸ PPP, GDP 2006, World Bank, http://siteresources.worldbank.org/datastatistics/resources/gdp_ppp.pdf, (accessed 08 August 2006).

⁸⁹ Craig Elwell and Marc Labonte, *Is China a Threat to the US Economy?*, (Washington, D.C.: Congressional Research Service, 23 January 2007), 15.

Before examining what China and Taiwan would look like as combined economy, it will be helpful to examine their different paths to their current positions. International trade is of great disparity between the PRC and ROC in their early existence. The PRC was isolated by the U.S. embargo. In the first few decades of the PRC, it had the Soviet Union and its allies to depend on as trading partners. After the Sino-Soviet split in the early 1960s, the PRC was forced to look inward for economic growth and development.⁹⁰ It also had to depend on the Soviets for their new technology. Once the relationship was suddenly ended, the PRC was relegated to deal with what it had received up to that point and attempted to develop its own, indigenous technology. The State Planning Commission was responsible for the growth of the economy. Exports were considered to not be an important vehicle for economic growth.⁹¹ This was the time when it began to import technology and then have its scientist reverse engineer it.⁹²

Beginning in the 1970s, the CCP began to realize the importance of exports.⁹³ The State began the practice of export licensing, which had been stopped in the 1950s. This helped to spur the economy, until the system was replaced in the 1990s by the new market driven price system. The system had however served its purpose. It worked to protect products that were still undervalued in the home market. Also, the restriction on certain exports helped increase China's earning from the sale of products it believed it had the market cornered on such as tin, tungsten and other minerals.⁹⁴

In contrast to the PRC, the ROC enjoyed a more robust field of options with regards to trading partners. Taiwan is a great example of how exports can help lead to industrialization and by consequently economic success.⁹⁵ Perhaps due in part to the need

⁹⁰ Barry Naughton, *The Chinese Economy, Transitions and Growth*, (Boston, MA: MIT Press, 2007), 8.

⁹¹ Nicholas Lardy, *Integrating China Into the Global Economy*, (Washington, D.C.: Brookings Institute Press, 2002), 31.

⁹² Naughton, 354.

⁹³ Lardy, 47.

⁹⁴ Ibid.

⁹⁵ Yongping Wu, *A Political Explanation of Economic Growth: state Survival, Bureaucratic Politics, Private Enterprises in the Making of Taiwan's Economy, 1950-1985*, (Boston, MA: Harvard University Press, 2005), 1.

for the United States to gain allies in Asia to employ its policy of containment, the Truman government continued its support of the Nationalist government on Taiwan. This proved to be a good economic decision for both countries. The ROC did not have the same structure for its state owned enterprises (SOEs) that the PRC did. This meant that the ROC businesses were forced to be more competitive because they could not rely on the state to finance them in order to stay in business.

Much like the CCP today, the KMT needed to make the economy work in order to remain in control. It is important to remember that at this time, the KMT was still attempting to legitimize its hold of power on the island of Taiwan.⁹⁶ In order to make sure this happened, the KMT developed a unique system where by the government controlled industries important to political matters, and the private sector was allowed to develop in commerce.⁹⁷ The ROC relied on its small medium enterprises (SMEs) to be the workhorse when it came to exports.⁹⁸ This was in no small way due to the industrial structure of Taiwan. SOEs along with the large private enterprises (LEs) had a grip on the domestic market for upstream and mid-stream industries respectively.⁹⁹ This left the down-stream industries for the SMEs. With the SOEs and LEs focusing on the domestic market, meant the SMEs were free to develop the export side of the economy.¹⁰⁰ This freedom was partly due to the fact that the SMEs had relatively no political power and therefore the ruling KMT was not concerned with them as a threat.

According to some, the economic policies of the CCP were wasteful due to their being biased against the market.¹⁰¹ Policies such as the back yard steel furnaces have been cited to as a specific example. As early as 1956, the state had a stranglehold on the economy. It controlled most heavy industry, nearly all foreign trade, and fixed most

⁹⁶ Wu, 3.

⁹⁷ Michael Ying-mao Kau, "The Power Structure in Taiwan's Political Economy," *Asian Survey*, Vol. 36, No. 3 (March 1996), 290.

⁹⁸ Wu, 2.

⁹⁹ Ibid., 24.

¹⁰⁰ Ibid., 2.

¹⁰¹ Eric Jones, Lionel Frost, and Colin White, *Coming Full circle: An Economic History of the Pacific Rim*, (Boulder, CO: Westview Press, 1993), 126.

prices.¹⁰² This made it difficult to assess where more or less resources should be allocated. The PRC's concentration on heavy industry failed to take into account consumption and neglected growth in the service sector.¹⁰³ This also meant that employment in skilled labor and the service sector did not grow at an appreciable rate. In 1978 the agricultural labor force had grown 70 percent larger than it was in 1952. Coupled with the fact that the amount of arable land had not increased, but industrialization was emerging, equaled a recipe for severe underemployment, especially in the countryside.¹⁰⁴

Reforms for the PRC came about in the late 1970s. With the death of Mao Zedong in 1976, the CCP got a more progressive leader in Deng Xiaoping.¹⁰⁵ Deng and other moderates had been waiting for their opportunity to direct the future of the country. The alterations they pioneered have continued to the present day. The reforms they enacted began in the countryside and were the catalyst that spread reform through all of China.¹⁰⁶ One of the most important things the new regime did was to allow individuals to fulfill their previously unmet needs, and through entrepreneurship, realize those demands that only the market can.¹⁰⁷ Almost immediately improvements were seen. Annual farm outputs grew by more than double what they were under the old regime and the income of the peasants grew two times.¹⁰⁸ While monetarily this is not that significant, it is a testament to what the free market economy will do for motivation. The PRC, realizing that China was rich in labor, decided to utilize its comparative advantage in that area and export labor intensive goods. It also enacted policies by which the SOEs would be forced to become competitive. This led to the SOEs just focusing on the business portion of the enterprise and selling off the rest of the company. The result was a more productive business while the divestiture of all non-core functions resulted in new, more productive private enterprises as well.

¹⁰² Jones, 127.

¹⁰³ Naughton, 80.

¹⁰⁴ Ibid., 81.

¹⁰⁵ Ibid., 77.

¹⁰⁶ Ibid., 85.

¹⁰⁷ Ibid., 87.

¹⁰⁸ Jones, 127.

At roughly the same time the PRC was coming into its own economically, the ROC was in need of some new economic ideas. This was in part due to the fact that Taiwan began to exhaust their labor intensive comparative advantage.¹⁰⁹ The ROC was in a position to lose much of its manufacturing industry to the emerging PRC due to the newly expanded PRC export market. Realizing this and understanding that Taiwan has a comparative advantage in capital intensive goods, the government changed gears.¹¹⁰ For many entrepreneurs in the ROC, the new market of mainland China presented a positive opportunity for investment due to a shared language and culture. Taiwanese investors not only went to the PRC, but also the rest of Asia.¹¹¹ This caused the ROC to upgrade its exports from textiles to more technologically based industries. This would eventually lead the ROC to its place as the world's third largest producer of information technology (IT) equipment by 1995.¹¹²

Some scholars have argued that China and Taiwan are joined in a de facto sense economically already due to lack of effective state intervention in cross-strait economics.¹¹³ Since the early 1980s when Taiwan relaxed restrictions on trade with the mainland, cross-strait economic exchanges have boomed.¹¹⁴ As illustrated in table 1.3, cross-strait trade accounted for over 20 percent of total trade in 2005. The trends show this number to be on the rise. China is entangling Taiwan in an economic blanket that it may not be able to shrug off so easily.

¹⁰⁹ Christopher Howe, "The Taiwan Economy: The Transition to Maturity and the Political Economy of its Changing International Status," *The China Quarterly*, No 48, December 1996, 1180.

¹¹⁰ Ibid., 1171.

¹¹¹ Ibid., 1183.

¹¹² Ibid., 1185.

¹¹³ Tse-Kang Leng, *The Taiwan-China Connection: Democracy and Development Across the Taiwan Straits*, (Boulder CO: Westview Press, 1996), 133.

¹¹⁴ Murray Tanner, *Chinese Economic Coercion against Taiwan: A Tricky Weapon to Use*, (Santa Monica, CA: RAND Corporation, 2007), 74.

Cross-Strait Trade 1990–2005

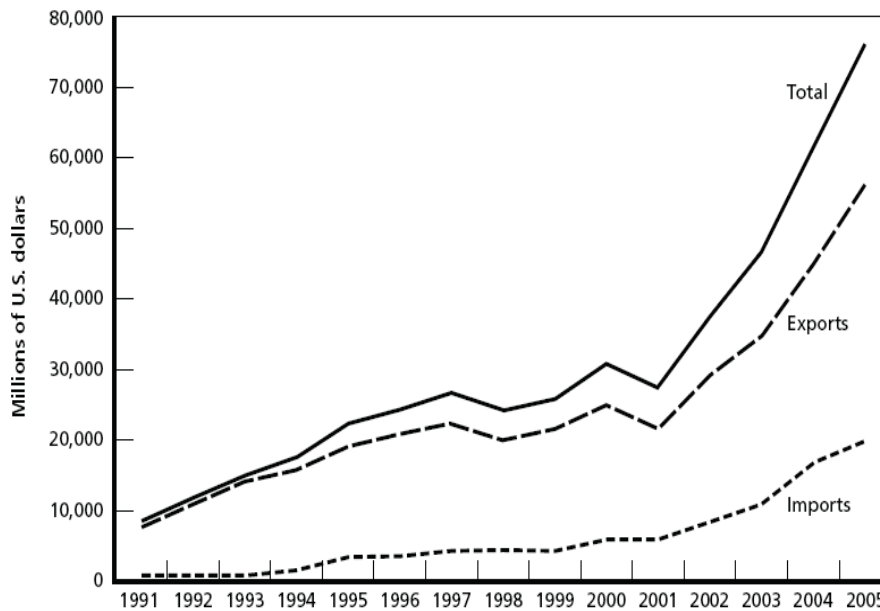


Figure 3. Growing Interdependence of the Chinese and Taiwanese Economies¹¹⁵

The business communities of both China and Taiwan have been the catalyst for their ever increasing economic interdependence. Taiwan is more dependent on China for investment opportunities and export while at the same time having sent more to the mainland in investment capital than to any other nation.¹¹⁶ Trade between China and Taiwan hit U.S. \$46.49 billion in the first half of 2007 alone.¹¹⁷ This was 13.3 percent increase from the previous year. Trade with the mainland accounted for 21.39 percent of Taiwan's total trade and trade with Taiwan accounted for 12.71 percent of China's total trade. These numbers indicate significant increases from the previous year.¹¹⁸ While trade between China and Taiwan has increased, trade between the two and Japan as well

¹¹⁵ Murray Tanner, *Chinese Economic Coercion against Taiwan: A Tricky Weapon to Use*, (Santa Monica, CA: Rand Corporation, 2007).

¹¹⁶ Bernkopf Tucker, 93.

¹¹⁷ Mainland Affairs Council, "Cross-Strait Monthly Economic Statistics Brief Summary No. 175," <http://www.mac.gov.tw/english/index1-e.htm>, (accessed 09 November 2007).

¹¹⁸ Ibid.

as the United States has decreased as a result.¹¹⁹ Were the unification of China and Taiwan to occur, this would be domestic rather than foreign investment, building the economy of one rather than two separate countries.

The interdependence of the two economies is strikingly illustrated in the information technology (IT) field.¹²⁰ Many businesses left Taiwan and set up shop on the mainland for opportunities in the Chinese domestic market, while others left for the lower cost of land labor and capital.¹²¹ While the “three links” have not yet been fully established across the Strait, the flow of IT investment has helped make the mainland Taiwan’s foremost export market. In 2003 over 60 percent of all of Taiwan’s IT hardware was made on the mainland.¹²² Not only is the mainland becoming the central point for the production of Taiwanese IT products, but for the rest of the world as well. It is in the best interest of the business community to ensure that no military or political disruptions occur in this area.

D. POLITICAL

Since the Communists came to power in China, they have set as one their priorities the reunification of the country. This means bringing Taiwan back in the fold and subjugating it as the thirty-second province. It is not simply enough to say that the issue is resolved; it is equally as important how the decision is reached. It is therefore necessary to understand the nature of the unification in order to determine the political administration following the merger. The aftermath will be path dependent on whether the unification occurs violently or peacefully and with or without outside intervention.

¹¹⁹ Mainland Affairs Council, “Cross-Strait Monthly Economic Statistics Brief Summary No. 175.”

¹²⁰ Michael Chase, Kevin Pollpeter, James Mulvenon, *Shanghaied: the Economic and Political Implications of the Flow of Information Technology and Investment Across the Taiwan Strait*, (Santa Monica, CA: Rand Corporation, 2004), 43.

¹²¹ Bernkopf Tucker, 99.

¹²² Dick Natto and Emma Chanlett-Avery, CRS Report RL32882, “The Rise of China and its Effect on Taiwan, Japan, and South Korea: U.S. Policy Choices,” (Washington, D.C.: Congressional Research Service, 13 January 2006), 13.

The historical precedence set by current and past PRC regimes is also of consequence when projecting future resolution of the Taiwan Strait situation and subsequent regional relations.

1. Paths to Unification

There are several scenarios that can be played out. First it should be understood that a peaceful unification is not likely to occur under the current regime in either the ROC or the PRC. Portions of the people of Taiwan have expressed their desire not to be reunited with the mainland. There are many factors that this can be attributed to, one of which is the lack of trust in the current party. In order for peaceful unification to occur, the regime in power would most likely need to be democratic. While it is an important point for the regime on the mainland to be democratic, this change alone is not sufficient to ensure the peaceful reunification of the two entities. It is entirely possible that a democratic regime would neither entice Taiwan to join the mainland or allow Taiwan to become peacefully independent from the mainland. A democratic regime would be more subjected to the opinion of the populous than the current government of China.

It is also possible that a peaceful reunification could occur through a situation whereby both sides would be equal partners in one larger system.¹²³ Taiwan and China may agree to some sort of middle ground. It is possible to envision an accord whereby both sides agree to not go to war and open more direct economic exchanges until the issue of sovereignty can be reached amicably. It is likely that with the current PRC regime this would not be possible. The mitigating factor would be whether or not the residents of Taiwan would be able to trust the guarantees provided by the PRC leadership. In the current political context, it is not likely this would be the case.¹²⁴

There is another option that the mainland would like to see come to fruition. The PRC has, since the time of Deng Xiaoping advocated the “one country, two systems”

¹²³ Roger Cliff and David Shlapk, *U.S. – China Relations after a Resolution of Taiwan’s Status*, (Santa Monica, CA: Rand Corporation, 2007), 8.

¹²⁴ *Ibid.*, 16.

policy with Taiwan as a way to unification.¹²⁵ Under this type of administration, the two entities would both be part of the PRC, but Taiwan would retain autonomy with regards to certain aspects of its administration. This system has been enacted in two circumstances by the PRC already. In Hong Kong and Macao the “one country two systems” policy has met with varying success. Both of these former colonial entities are now special administrative regions (SAR) of the PRC. While it is true the circumstances were different in both situations than for the situation in Taiwan, Macao and Hong Kong would still be used by the PRC as a template for the unification with Taiwan.

Hong Kong (HK) reverted to PRC control in 1997. The “one country two systems” policy was implemented under the Basic Law. Under this law, which was drafted in 1990 prior to the retrocession of HK to the PRC by representatives from both HK and the mainland, Hong Kong Special Administrative Region (HKSAR) was to be allowed executive, legislative, and judicial autonomy. HKSAR courts were also to maintain the right of final adjudication.¹²⁶ The basic law of Macao Special Administrative Region (MSAR) is similar to that of HKSAR.¹²⁷ Both Basic Laws are similar to constitutions. However, for all the autonomy the two SAR’s retain, the fact remains that they are now parts of the PRC and are subject to the sovereignty of the mainland.¹²⁸ Recent events have shown the lack of autonomy in HKSAR with regard to the ultimate right of adjudication in commercial affairs. In an unprecedented move, the mainland government stopped the sale of one of HKSAR’s largest telecom companies to a foreign company.¹²⁹ This move goes against one of the major tenets of the “one country two systems” principle. The mainland is not supposed to get involved in financial dealings. The pre-reversion economic prosperity of Hong Kong was one of the major

¹²⁵ Sonny Shu- Hing Lo, “One Formula Two Experiences: Political Divergence of Hong Kong and Macao Since Retrocession,” *Journal of Contemporary China* vol. 16 No. 52, August 2007, 361.

¹²⁶ Basic of Law of the Hong Kong Special Administrative Region of the Peoples Republic of China, Article 2.

¹²⁷ Basic of Law of the Macao Special Administrative Region of the Peoples Republic of China.

¹²⁸ Geping Rao and Wang Zhemin, “Hong Kong’s One Country, Two Systems Experience Under the Basic Law: Two perspectives from Chinese Legal Scholars,” *Journal of Contemporary China*, Vol. 16 No. 52, August 2007, 341.

¹²⁹ Justine Lau and Tom Mitchell, “Beijing’s Intervention proves that the “One Country, Two Systems” Principle is Far From the Reality,” *Financial Times*, 29 November 2006, 27.

boons for the PRC. Hong Kong was shining star in the world market while it remained under British control. In 1995 Hong Kong ranked eighth in Per Capita GDP, but today it has dropped out of the top ten and is currently number fourteen.¹³⁰ However, even with the intervention of the mainland into some of its dealings, the economy of Hong Kong is still considered to be the most open in the world.¹³¹ Hong Kong has enjoyed the top spot on this list for over decade. This continued ranking of HKSAR even post reversion bodes well for the “one country, two systems” policy.

While this system has clearly worked for HKSAR, the situation in Taiwan is different. China and Britain agreed in 1984 that Hong Kong would revert to Chinese control after the 100 year lease on the new territories ended. Taiwan and China have no such deal. As far as many of those residing on Taiwan are concerned, Taiwan has been an independent country since the end of the Ch’ing in 1911. They see the mainland as having no claim to the territory of Taiwan. Those with this opinion may have to face the eventuality of being engulfed by their neighbor across the Strait.

E. CONCLUSION

A combined China and Taiwan will be a formidable state militarily and economically. They would have the largest military and one of the strongest economies in the world. China is continually trying to improve its military power. With the elimination of the need to use its military in a Taiwan Strait situation, the PLA would be free to concentrate on issues outside its own borders. The addition of the Taiwanese economy would prove to be a most valuable asset in leveraging China’s growing power in the world economy. The nature of the unification of the two sides of the Strait is of the utmost importance in determining the nature of the country following the reunification. Were it to be a peaceful reunification, the world would no doubt look to China as a world leader. According to many scholars the largest impediment to U.S.-China relations would

¹³⁰ CIA World Fact Book 1995 and 2007, GDP Per Captia Comparison, <https://www.cia.gov/library/publications/the-world-factbook/rankorder/1995rank.html>, <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2004rank.html>, (accessed 25 August 2007).

¹³¹ Tim Kane, Kim Holmes, Mary O’Grady, *2007 Index of Economic Freedom: The Link Between Economic Opportunity and Prosperity*, (Washington, D.C.: Heritage Foundation, 2007), 59.

be eliminated, allowing for a more open relationship between two of the world's most powerful countries. The prospects for Japan are not as certain as will be discussed in the following chapter. Conversely, were the PRC to decide to attempt a hostile takeover of the island of Taiwan, the world may view China as a menace and in that instance the question may be what form repercussions would take for China. This is not likely given the immense size of the Chinese market. Combined China and Taiwan could prove to be an unstoppable force.

IV. JAPAN

A. INTRODUCTION

The situation as it exists today is quite different from what it would be in East Asia were China and Taiwan to reunify. As stated previously, the path to unification would have much impact on the situation resulting from the merger. Japan would most likely be disadvantaged by the unification of China and Taiwan with Beijing maintaining control of a unified China regardless of how the unification occurred. There would be various ramifications depending on the course followed but overall the security context of Japan would be altered for the worse even while it is still possible to see the economic conditions remaining constant. This chapter examines the military, economic, and socio-political issues surrounding the relationship of Japan, China and Taiwan.

B. MILITARY ISSUES

Were China and Taiwan to peacefully reunify the merger of these two entities would shift the balance of power not only in Northeast Asia, but also the rest of the world. Japan would be one of the countries most affected by the reunification militarily due to its proximity to both Taiwan and China. The union of China and Taiwan would allow China to shift its military focus from retaking the island of Taiwan to other concerns. Undoubtedly Japan would be wary of such a reunification due to the longer reach that Chinese armed forces would possess. Their access to the blue water would be increased by several hundred miles due to the location of Taiwan.

Both China and Japan have at times been the predominant power of Asia. China was seen by many in Asia as the center of the world and tribute was paid to the emperor. This lasted until the 1840s when the Western powers along with Japan began to make their way to Chinese shores and laid claim to territory that was once under the Chinese sphere of influence.¹³² Currently, they are both vying for the top position of influence.

¹³² Murphey, 287-288.

China is experiencing an economic upturn. Reform policies in this large country have resulted in a booming economy. Taiwan ranks among the world's strongest economies when it comes to purchasing power parity as well.¹³³ The amalgamation of the Chinese and Taiwanese economies would produce an Asian juggernaut that would be quite competitive world wide. A strong economy is helpful when it comes to financing a world-class military.

Following World War II, the United States drafted of a new constitution. Article Nine of the new constitution stipulates:

Aspiring sincerely to an international peace based on justice and order, the Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as means of settling international disputes. 2) In order to accomplish the aim of the preceding paragraph, land, sea, and air forces, as well as other war potential, will never be maintained. The right of belligerency of the state will not be recognized.¹³⁴

While Japan does not maintain a formal military, it has been able to establish a robust self-defense force instead. The force is broken down into three components, Japanese Self Defense Force (JSF), the Japanese Maritime Self Defense Force (JMSDF), and the Japanese Air Self Defense Force (JASDF). The fact is that no matter what it is called the Japanese have built one of the best equipped, most technologically advance, and most modern militaries in the region if not the world.¹³⁵

There are many in Japanese politics who wish to change Article Nine of the Japanese constitution.¹³⁶ The issue is that in order for an amendment to the Japanese constitution to be ratified, it must be approved by two-thirds of the Diet and then put to

¹³³ CIA World Fact Book, Rank Order-GDP (PPP), <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2001rank.html>, (accessed 06 June 2007).

¹³⁴ Constitution of Japan promulgated 03 November 1946, <http://www.solon.org/Constitutions/Japan/English/english-Constitution>, (accessed 06 June 2007).

¹³⁵ This statement is based on several countries military assessments obtained from the Jane's Military and Security website, (accessed 06 June 2007).

¹³⁶ Ralph A Cossa, "US-Japan Defense Cooperation: Can Japan Become the Great Britain of Asia? Should It?," in Michael H. Armacost and Daniel I Okimoto, ed. *The Future of America's Alliances in Northeast Asia*, (Washington, D.C.: Brookings Institution Press, 2004), 97.

the people for a vote.¹³⁷ The reunification of China and Taiwan may be a test of the constitutional amendment process. Many in Japanese politics believe that Japan has moved past its history and should be allowed to reassume the international status it once had. This desire for Japan to reassume its place in the world militarily is echoed by several of Japan's Southeast Asian neighbors.¹³⁸ Other countries in the region already look to Japan as a leader in the economic arena. These states now beginning to look to Japan for leadership in the military arena as well. China reunifying with Taiwan, peacefully or not, may be the impetus that pushes the Japanese legislature and people to more closely examine the relevance of Article Nine in today's world.

Japan and the United States have had a security alliance since the end of U.S. occupation. Japan is cognizant of the fact that not every security threat that arises can be handled by its indigenous military capabilities.¹³⁹ To this end it relies heavily on its U.S. partner for assistance. One possible outcome of the reunification of China and Taiwan may be an even closer relationship between the United States and Japan. Japan currently allows the United States to base a limited number of forces in Okinawa as well as on the mainland. These may be expanded to include more bases and certainly more forces should the reunification occur. While today there is a movement to get all U.S. troops out of Japan, these protesters would lose some legitimacy if China and Taiwan were to reunify.

While Japan and China are not now on a pre-war footing with one another, a future unexpected turn of events could push the two nations into armed conflict. Japan is committed to its Ballistic Missile Defense (BMD) project with the United States.¹⁴⁰ The joint U.S./Japan Patriot Advanced Capability (PAC-3) system is designed to provide a missile shield around the island nation.¹⁴¹ Since it is a group of islands, Japan is in a good

¹³⁷ Emma Chanlett-Avery, Mark Manyin, and William Cooper, *Japan-U.S. Relations: Issues for Congress*, (Washington, D.C.: Congressional Research Service, 05 October 2006), 11.

¹³⁸ Bhubhindar Singh, "ASEAN's Perceptions of Japan: Change and Continuity," *Asian Survey* Volume 42 Issue 2, March/April 2002, 292.

¹³⁹ Japanese Ministry of Foreign Affairs Diplomatic Blue Book 2006, 130.

¹⁴⁰ *Ibid.*, 133.

¹⁴¹ Chanlett-Avery, 11.

position defensively against an all out ground force invasion. In order for an attacker to be successful, they must first gain air superiority. Since neither The PLAN nor the Taiwanese navy possess a working aircraft carrier, the attacking aircraft would have to be land based.¹⁴² The PLAAF does have fighter aircraft capable of attacking the mainland with enough fuel for a return home.¹⁴³ This puts the onus on the JMSDF to maintain its proficiency. Currently the JMSDF has the ability to provide area air defense through the use of its AEGIS weapon system. AEGIS is a coordinated suite of advanced RADAR and missile technology used to defeat sophisticated aircraft, and their armaments such as the PLAAF SU 27/30 Fighters. This AEGIS technology helps to deny enemies the maritime superiority necessary to carry out an attack on the Japanese homeland as well.

Since the end of WWII, Japan has maintained a staunch anti-proliferation stance. In the past Japan has been a strong supporter of the international disarmament regime.¹⁴⁴ The addition of another regional military and economic player to the side of their greatest rival may force the Japanese people to reexamine this issue carefully. Not only would Japan be facing a nuclear China and North Korea, but now it would also be looking at a nuclear capable Taiwan at its doorstep. Were Japan to decide to join the nuclear club, it would not be a far jump technologically. Japan already has a quite robust nuclear power program as well as the technical expertise to create a nuclear weapons program.¹⁴⁵

C. ECONOMIC RELATIONS

Since the 1960s, Japan has enjoyed its place as the preeminent economic power of Asia. Only recently has China emerged as one of the world's economic leaders to rival this position with Japan. This new relationship has the potential for shaping the

¹⁴² Ian Storey and You Ji, "China's Aircraft Carrier Ambitions: Seeking the Truth from Rumors," *Naval War College Review*, Winter 2004 Vol. 57 No. 1, 3.

¹⁴³ Jane's Military Security Assessment-China-Air Force, 23 February 2007, http://www8.janes.com.libproxy.nps.edu/JDIC/JMSA/documentView.do?docId=/content1/janesdata/binder/jwaf/jwafa053.htm@current&pageSelected=&keyword=&backPath=http://jmsa.janes.com/JDIC/JMSA&prod_Name=JWAF&activeNav=http://www8.janes.com/JDIC/JMSA, (accessed 06 June 2007).

¹⁴⁴ Japanese Ministry of Foreign Affairs Diplomatic Blue Book 2006, 157.

¹⁴⁵ GlobalSecurity.org, Weapons of Mass Destruction, Nuclear Weapons Program, Japan, <http://www.globalsecurity.org/wmd/world/japan/nuke.htm>, (accessed 06 June 2007).

international landscape for the new century. While China and Japan have shared interests, they also share several areas of economic competition. The unification of Taiwan with the mainland would do nothing to ease the burden put on the intense competition that already exists in perception as well as reality.

There has been debate over the years as to how involved Japan should be economically with China.¹⁴⁶ Over the past thirty years trade between the two Asian giants has waxed and waned. In the 1990s trade began to see a sizeable increase between the two. However, the question remains whether or not the growing economic interdependence between Japan and China is enough to foster a civil relationship or if the inevitable trade friction and economic competition will spill over into something more ominous.

In recent years, from around 1990 onward, Chinese economic development has accelerated exponentially.¹⁴⁷ China has played a large role in the economic recovery of Japan. China is now Japan's top trading partner.¹⁴⁸ Japan has also in the recent past developed closer ties with Taiwan.¹⁴⁹ Beijing would be wise to allow Taiwan to continue its economic independence along the lines of HKSAR even after unification occurred. Due to the strategic nature of the island and its proximity to major shipping routes, the reversion of Taiwan to mainland control would not be economically advantageous for Japan. This loss, coupled with the unprecedented growth of China, could spell trouble for Japan due to the greater access to open ocean trade routes the mainland would enjoy. Should China and Japan's relationship devolve into something more militarily confrontational, China would have greater means to deny access to and from major sea trade routes which Japan relies on for its economy to function.

Japan's and China's economies do have some areas that appear to be complementary. China has a large labor pool of inexpensive, skilled and unskilled

¹⁴⁶ Kawashima, 102.

¹⁴⁷ Ibid., 99.

¹⁴⁸ Jing-dong Yuan, "Hopes Rise for China Japan Thaw," *Taipei Times*, Wednesday, 11 April 2004, 8.

¹⁴⁹ Hidenori Ijiri, "Taiwan's Pragmatic Diplomacy and Its Implications for the Chinese Mainland, Japan and the World," in Maysing Yang, ed. *Taiwan's Expanding Role in the International Arena*, (Armonk, NY: M.E. Sharpe Inc., 1997), 45.

laborers, and needs large injections of capital into its economy. At the same time Japan has large amounts of money to invest and is looking for available markets.¹⁵⁰ China can also count on Japan for the inflow of technological equipment as well as the means to educate the Chinese workers how to operate this equipment. China reciprocates by exporting many products to Japan and thereby lowering the cost structure.¹⁵¹

Trends show the antagonism between Japan and China is heating up as well. As recently as 2005 Japan informed China that it would end the loans Japan had extended to the Chinese. The loans account for over 90 percent of the aid Japan provides to China.¹⁵² This being said, there are other areas of competition that will play larger roles in the future of relations between Japan and China. This move was in response to the increasing economic power of China.¹⁵³

The main points of possible conflict or cooperation are resource importation and environmental concerns. While both China and Japan are net importers of fuel, China recently surpassed Japan as the second largest importer of energy.¹⁵⁴ China is currently more dependent on coal than any other fuel for its energy needs. As the rise of China continues, this will only become more apparent. The mines and factories they are building are not held to the same emission standards as the rest of the world and as such, China reports 300,000 pollution deaths as a result of coal per year.¹⁵⁵ Beijing maintains its pollution as a percentage of its population is in keeping with the rest of the world.¹⁵⁶ Furthermore, China insists that developing nations should be given dispensation until

¹⁵⁰ Pyle, 338.

¹⁵¹ Ibid.

¹⁵² Dick NATO, CRS Report RL32882 "The Rise of China and Its Effects on Taiwan, Japan, and South Korea: U.S. Policy Choices," (Washington, D.C.: Congressional Research Service, 13 January 2006), 23.

¹⁵³ Ibid.

¹⁵⁴ "Energy Summary of China," 07 December 2005, <http://www.cslforum.org/china.htm>, (accessed 01 November 2007).

¹⁵⁵ Elizabeth Economy, *The River Runs Black: the environmental Challenge to China's Future*, (Ithaca, NY: Cornell University Press, 2004), 19.

¹⁵⁶ Ma Kai, "China is Shouldering its Climate Change Burden," *Financial Times*, 03 June 2007, http://www.ft.com/cms/s/0/ea28ab22-11f3-11dc-b963-000b5df10621.html?nclink_check=1, (accessed 13 November 2007).

they reach the same development level as more economically advanced countries.¹⁵⁷ Due to its proximity to the Chinese mainland Japan is affected by this pollution.¹⁵⁸ While Japan is exploring ways to expand its use of nuclear power, China continues to focus its efforts on coal.

Since both Japan and China are net oil importers, there is inevitable competition between the two on this front.¹⁵⁹ They are both looking for alternative ways to secure energy sources for the future. Russia and the East China Sea are most viable options for energy security as well as being major points of competition for China and Japan.¹⁶⁰ Not only are both these regions rich in petroleum, they both have ample supplies of natural gas as well. As both China and Japan lessen their dependence on oil from the Middle East, they will continue to look to secure these two regions for their own resource reserves.¹⁶¹

¹⁵⁷ Kai.

¹⁵⁸ Ibid., 72.

¹⁵⁹ June Dreyer, "Sino-Japanese Rivalry and its Implications for Developing Nations," *Asian Survey* 2006, Vol. 46, Issue 4, 544.

¹⁶⁰ "Putin-Hu Talks to Focus on Oil Pipeline Plan," *Taipei Times*, Wednesday, 22 March 2005, 4.

¹⁶¹ Emma Chanlet-Avery, *Rising Energy Competition and Energy Security in Northeast Asia: Issues for U.S. Policy*, (Washington, D.C.: Congressional Research Service, 03 May 2007), 18.

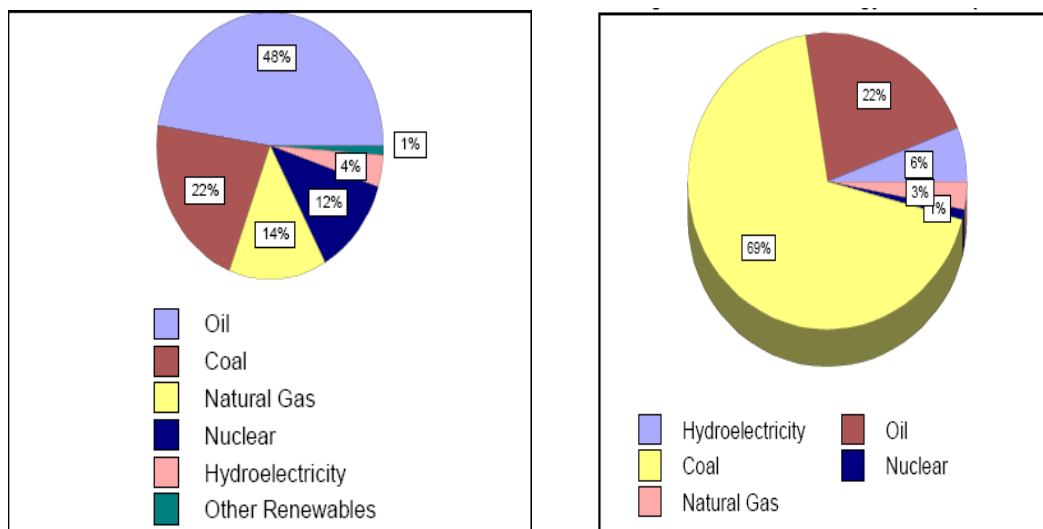


Figure 4. Japan and China's Energy Consumption by Sector¹⁶²

D. SOCIO-POLITICAL ASPECTS OF THE RELATIONSHIP

The end of the Cold War brought about many changes in the international order of Asia.¹⁶³ China and Japan, along with the United States previously shared a common goal of containing the influence of the Soviet Union but now find themselves in a different context. Neither China nor Japan is willing to acquiesce to the other the role of preeminent power of Asia.¹⁶⁴ There are other mitigating factors in the Sino-Japanese socio-political and strategic relationships that make the economic interconnectedness between the two a less important factor in ensuring the continued peace of the region.

Japanese perceptions of China have been shaped by events both recent and past. Japan has long resisted the Sino centric sphere of influence in East Asia. There are however certain aspects of the relationship that seem to complement each other, such as the economy, to the point of flourishing. Good economic relations however have not in the past and likely will not in the future be enough ameliorate misperceptions and distrust amongst the two great powers.

¹⁶² Chanlet-Avery 2007.

¹⁶³ Alistair Johnston and Robert Ross, *New Directions in the Study of China's foreign Policy*, (Stanford, CA: Stanford University Press, 2006), 162.

¹⁶⁴ Kelly, 2.

China continues to block Japan's bid for a larger role in the United Nations (U.N.) as a permanent member of the Security Council.¹⁶⁵ Japan sees itself as one of the most influential nations in the world. Therefore it believes it is only right that it gain a seat at the table in the most significant body of the U.N. China is not alone in its opposition to Japan's quest for Security Council membership. Several other countries have pointed out that it would be difficult for Japan to send troops from other countries into combat without being able to support such a move due to restrictions imposed by the Japanese constitution.

There have been alleged incursions by dozens of Chinese naval vessels into the exclusive economic zone of Japan during the early 1990s.¹⁶⁶ The purpose of the intrusion was reported to be for gathering military intelligence. These incidents helped to increase the feelings of mutual mistrust and suspicion. Reportedly, another goal of the missions was to use sophisticated underwater mapping equipment to make it possible for Chinese submarines to transit the waters.¹⁶⁷ As the PLAN makes preparations to push further out from the littorals, these maps would prove invaluable in an open ocean conflict.

The Japanese perceptions of China are viewed in many ways through the lens of nationalism. Recent polls have shown that the number of Japanese with positive feelings towards China is declining.¹⁶⁸ There are many reasons this could be occurring. One of the catalysts is the modernization of the Chinese military. There have been reports that the Japanese are extremely wary of the lack of transparency regarding the PLA.¹⁶⁹ While the Japanese have continued to press China for more transparency in military budgeting, little progress has been made. This development continues to make the Japanese population uneasy. With the addition of Taiwan to the mainland, as stated previously, China would gain some advanced technology. This would no doubt only serve to add to the fears of a portion of the Japanese citizenry.

¹⁶⁵ Johnston, 169.

¹⁶⁶ Yahuda, 325.

¹⁶⁷ Ann Tyson, "Despite protests, China too spies over Asia Beijing has widened the reach of its surveillance activity in recent years," *Christian Science Monitor*, 19 April 2001, 1.

¹⁶⁸ Kawashima, 96.

¹⁶⁹ Yahuda, 324-325.

There is a renewed sense of nationalism growing among some younger Japanese.¹⁷⁰ Nationalism is a powerful force that can trump economic relations and make military strength appear more important than a strong economy. Some have said that employing nationalism in statecraft is as difficult as riding a tiger.¹⁷¹ This force binds a group of individuals tightly around a common idea: that their country is the best in the world and in some cases this venom is pointed specifically at one particular nation-state. There is no doubt that the leadership of both Japan and China has leveraged nationalistic fervor. That is not to say this has occurred in a vacuum without provocation. The issue with nationalism is whether or not the regime in power is able to control it. Japan has so far been able to do this successfully to date.¹⁷²

Following the end of the Cold War, Japan saw a renewed sense of national assertiveness amongst its population.¹⁷³ With the passing of each generation and the collective memory of war atrocities, the younger Japanese grow more and more impatient with being continually criticized about past these events.¹⁷⁴ The continued demands by the Chinese leadership for more and more apologies are seen as being nothing more than manipulative. This perception is due in no small part to the fact that the demands usually are levied around the time new negotiations are entered into for Japanese aid to China.

There have been instances in which it has appeared that the Chinese government has encouraged anti-Japanese protests.¹⁷⁵ There is a movement among some Chinese nationalists to never forgive Japan for its past indiscretions. They are not only unwilling to accept the apologies of Japanese officials, but they actively attempt to impugn Japan's image internationally in their writings.¹⁷⁶ This anti-Japanese rhetoric has done much to

¹⁷⁰ Kelly, 3.

¹⁷¹ Kawashima, 106.

¹⁷² Sutter, 87.

¹⁷³ Johnston, 176.

¹⁷⁴ Ibid., 177.

¹⁷⁵ Peter Gries, *China's New Nationalism: Pride Politics, and Diplomacy*, (Berkley, CA: University of California Press, 2005), 95.

¹⁷⁶ Gries, 96.

foster the continued deterioration of the relationship between Japan and China. Anti-Japanese protesters in some Chinese cities have turned to vandalizing local Japanese embassies and businesses.¹⁷⁷

E. CONCLUSION

Japan would find itself in a more volatile security context due to a unification of China and Taiwan. It would be looking at a larger, better equipped, and better trained force than before the reemergence of a true “one China.” The Japanese would no doubt look to the United States, as they have in the past, for assistance in dealing with the new threat facing them. However, depending upon the circumstances surrounding the reunification, the United States may or may not be there in the capacity the Japanese would require.

Economically Japan, China and Taiwan are interconnected on many levels. They have had open trade for decades. This economic interdependence has not, however led to improved relations in other areas. It is not likely that, given the resurgence of nationalism as well as other issues in both China and Japan, economic relations will be able to inexhaustibly ensure amelioration of the overall affiliation. The socio-political issues between the two countries are far too many for the economic relationship to trump them all. However, there is hope that the leadership of both countries will see the advantage in maintaining a stable security context in the region and take the necessary steps to maintain such.

¹⁷⁷ Colum Lynch, “China Fights Enlarging Security Council,” *The Washington Post*, 05 April 2005. A-15.

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V. JAPAN'S OPTIONS

A. INTRODUCTION

The response to the reunification of China and Taiwan by Japan and the United States could take several paths. It would depend on whether or not the unification was peaceful or violent and if it was violent, what was the impetus for the confrontation. This chapter describes the international relations mechanisms that may define the Japanese and U.S. response to peaceful reunification of China and Taiwan.

All nations seek security, but what exactly security is will most likely be different and depend on each state's circumstances and place in the international order.¹⁷⁸ Without security, states cannot turn their attention to other endeavors. Security to a superpower is something entirely different than to a Third World country. It is therefore important for each state in the global system to decide what its concept of security is and take the appropriate steps to ensure its security priorities are met. Japan, the United States, and a reunified China and Taiwan would most likely have some shared security concerns, while at the same time each would possess its own individual concerns that it may consider central. The points where these concerns diverge or converge can be the basis for conflict or cooperation. The way these perceived conflicts of security concerns are handled will depend on the desired outcome.

The responses by states to threats have implications for foreign policy. There are several approaches that states can take when dealing with international security issues. Two common responses are to either balance against the threat or to bandwagon with the aggressor in order to enjoy the spoils of aggression.¹⁷⁹ The following section will discuss Japan's potential response to the reunification of China and Taiwan in terms of balancing, bandwagoning, and deterrence.

¹⁷⁸ David Baldwin, "The Concept of Security," *Review of International Studies*, 23 January 1997, 12.

¹⁷⁹ Stephen Walt, "Alliance Formation and the Balance of Power," *International Security*, Vol. 9, No. 4, Spring 1985, 3.

B. INTERNATIONAL RELATIONS MECHANISMS

1. Balancing

Kenneth Waltz makes several assumptions in describing balance of power theory. The first assumption is that the state is a unitary actor which seeks at a minimum its own survival and at the most seeks world domination.¹⁸⁰ When states believe they are threatened by a stronger power or perceive a power to be emerging, they will band together in order to maintain the status quo.¹⁸¹ States use internal and external efforts to maintain their standing in the international order.¹⁸² States do not necessarily always balance for the same reasons. In certain instances strong states may ally with other strong states when the collective perception is that a weaker state may pose a threat in a specific area.¹⁸³ This describes the U.S.-Japan security alliance today.

Article Nine of the constitution that was imposed on Japan following its defeat in WWII stipulated that Japan would forever renounce war as a right of the nation and that they would not maintain a standing military.¹⁸⁴ Thus, the Japanese were not able to provide for their own defense. The United States and Japan signed the first of two security treaties in 1951. The treaty allowed the United States to keep troops and equipment on Japanese sovereign territory.¹⁸⁵ According to the Japanese interpretation of Article Nine, they would not be able to come to the aid of the Americans should the U.S. forces find themselves under attack. The Yoshida Doctrine focused all of Japan's efforts on economic recovery while leaving the defense of the country to the United States.¹⁸⁶

¹⁸⁰ Waltz, 118.

¹⁸¹ Ibid., 119.

¹⁸² Walt, 5.

¹⁸³ Ibid., 9.

¹⁸⁴ The Constitution of Japan, 03 November 1946.

¹⁸⁵ Treaty of Mutual Cooperation and Security Between Japan and The United States of America, 08 September 1951, Article VI.

¹⁸⁶ Murphey, 440.

The National Security Strategy of the United States lays out what, according to the current administration, is important to the U.S. national interest. The latest version makes reference to supporting existing democracies and fostering a global environment which is conducive to the formation of new democratic regimes.¹⁸⁷ There has been a long standing belief that democracies do not go to war with each other. The treaty also recognizes that with the world becoming ever smaller due to globalization, what used to be a problem in Asia for example would only affect Asia, but now it has a global impact.

While it is true that with the end of the Cold War the United States lost its major military competitor in Asia as well as the rest of the world, there are still other reasons that make the U.S.-Japan Security alliance of vital importance to the United States. The U.S.-Japan Security Alliance remains essential to the peace and stability of Asia.¹⁸⁸ Due to the overlapping national interests of Japan and the United States, it makes this partnership a natural fit. Thanks to Japan providing bases for U.S. forces in the region, the United States is able to shape the security environment of the region. This is central to ensuring the national security strategy is carried out. Without the continuation of the alliance, the United States would lose its forward basing option for the most formidable forward presence operations in history.

When it was first devised, the security alliance between Japan and the United States was one link in the deterrent chain against the ever expanding communist sphere of influence.¹⁸⁹ With the end of the Cold War and collapse of the Soviet Union, the alliance continues to be important to both countries. While the PRC remains insistent that the expansion of its economic and military capacity is intended for peaceful purposes, the rise of China is seen by some in both the United States and Japan to be the first step in its attempt to regain its former position as a top player on the world stage.¹⁹⁰ Japan and the United States are currently balancing against potential regional instability with their

¹⁸⁷ National Security Strategy of The United States of America, March 2006, Chapters 1 and 2.

¹⁸⁸ Patrick Cronin and Michael Green, *Redefining the U.S. Japan Security Alliance: Tokyo's National Defense Program*, (Honolulu, HI: University Press of the Pacific, 2005), 24.

¹⁸⁹ Yahuda, 317.

¹⁹⁰ Robert Sutter, *China's Rise in Asia*, (Lanham, MD: Rowan and Littlefield Publishers Inc., 2005), 1.

continued alliance. One manifestation of this continued alliance is Theater Missile Defense (TMD). China has been a staunch opponent of Japan importing the TMD technology to the island. China believes it would increase the U.S. and Japan's collective potential for containing China.¹⁹¹

U.S. Forces in Northeast Asia are only based in Japan and South Korea. The forces in South Korea are historically not deployable although they have been used in recent years to augment the troops in Iraq. They are stationed there as a deterrent against the renewed aggression of the North Koreans. The forces in Japan however, are not only deployable but are some of the most robust U.S. forces based anywhere in the world, including the continental United States. The Navy, Army, Air Force, and Marines all have substantial troops and equipment forward deployed to the Japanese area of operations. Again this serves as a deterrent against aggression towards Japan, but more importantly these forces ensure the continued security of Asia.¹⁹² Without Japan, the next closest forces available would be in Diego Garcia, which is much farther to the east and cannot handle the magnitude of forces stationed in Japan.

2. Bandwagoning

The concept of bandwagoning is often described as the opposite of balancing.¹⁹³ In this instance a state will ally itself with the stronger state. This can occur for several reasons. For centuries it has been the belief of would-be conquerors that nothing begets success like success. The weaker states involved in a conflict, or potential conflict, will look to the stronger state and make the decision that it is more beneficial to have the stronger power as an ally rather than an adversary. This theory is more controversial than balancing because the states joining the stronger side do not necessarily bring as much to the relationship and therefore are automatically the lesser partner in the alliance.

¹⁹¹ Osius, 89.

¹⁹² Funabashi, 456.

¹⁹³ Waltz, 126.

Randall Schweller puts forth the proposition that bandwagoning is not necessarily always entered into in order to achieve security.¹⁹⁴ A strategy of bandwagoning can be undertaken in order to reap the rewards of being on the side of the stronger power. Schweller goes on to say that more security-minded states tend to balance whereas more greedy states tend to bandwagon. “Jackal bandwagoning” is where a state joins a coalition merely for the profit.¹⁹⁵ The perfect example of this is Mussolini’s partnership with the Third Reich. “Piling-on bandwagoning” would be used to describe a state joining the winning side after the outcome of the war had already been decided.¹⁹⁶

The most useful description of bandwagoning provided by Schweller for this discussion is the “wave of the future bandwagoning.”¹⁹⁷ In this scenario the lesser powers see what they believe to be the rise of one power and the decline of another and decide to join the up and coming power in hopes of increased security and wealth. While the United States and Japan have balanced against the other powers of Asia for the past several decades, the fundamental relationship of these two would likely change with the unification of China and Taiwan. Given this, the United States would no longer need to be as militarily engaged in Asia. Japan would need to decide a course of action to deal with China.

Historically Japan has acted pragmatically when it comes to its relationship with China.¹⁹⁸ Japan would be looking for a relationship to replace the U.S.-Japan security alliance in the wake of lessened U.S. engagement in Asia. While Japan would not necessarily be forced to bandwagon with a rising China, an option it would consider would be something close to the classical interpretation of bandwagoning. With their history of conflict, it would be difficult for China and Japan to reach such an agreement, but such a compromise would be mutually beneficial to both parties.

¹⁹⁴ Randall Schweller, “Bandwagoning for Profit: Bringing the Revisionist State Back In,” *International Security*, Vol. 19, No. 1, Summer 1994, 89.

¹⁹⁵ *Ibid.*, 94.

¹⁹⁶ *Ibid.*, 95.

¹⁹⁷ *Ibid.*, 96.

¹⁹⁸ Pyle, 346.

3. Deterrence

According to one prominent author, Lawrence Freedman, deterrence is a strategy of coercion.¹⁹⁹ There are many facets to the strategy of deterrence. It can be strategic or internalized. With strategic deterrence, the concept is employed as a conscious decision. One state, or group of states, believes that another state or group of states intends to do them harm in some way. The first group then does its best to convince the second group that if it attempts to do so, there will be repercussions that will prove to be less than acceptable to the second group.²⁰⁰ This was the Cold War thinking of the United States and its allies with regards to the Soviet Union.²⁰¹ Deterrence can also be unconscious, in which case it is internalized deterrence. In this situation, the aggressor concludes, often without the knowledge of the other party, that the cost incurred from whatever action they may have been planning is not worth the reward.²⁰² It is also possible for both dynamics to be present in the same situation. It would seem that both strategic and internalized deterrence have been part of the strategy employed by the United States and Japan vis-à-vis China. The U.S.-Japan security alliance has acted as a deterrent against aggression by China both towards Taiwan and Asia as a whole. There has been a conscious effort by the United States and Japan, while China has internally weighed the costs and benefits of aggression.

Deterrence will fail, according to Robert Jervis, if the aggressor believes that the more powerful nations are weak in capacity or determination to check the actions of the aggressor.²⁰³ Should the status quo power back down the challenger will be encouraged in further aggression. This attitude will change when the aggressor believes it will not be able to bully the status quo power into succumbing to its will.²⁰⁴ Again, The U.S.-Japan

¹⁹⁹ Lawrence Freedman, *Deterrence*, (Malden, MA: Polity Press 2005), 26.

²⁰⁰ Ibid., 27.

²⁰¹ Elaine Bunn, "Can Deterrence Be Tailored?," *Strategic Forum*, No. 255 January 2007, 1.

²⁰² Freedman, 28-29.

²⁰³ Robert Jervis, *Perceptions and Misperceptions in International Politics*, (Princeton, NJ: Princeton University Press, 1976), 58.

²⁰⁴ Jervis, 60-61.

alliance serves to further this purpose. Would be challengers to the status quo see the resolve of the two powers in Asia, Japan and the United States, and do not want to risk losing the benefits of apposite relationship with these two countries or their allies. Japan and the United States are the number one and two economies in the world.²⁰⁵ China relies on these two countries for foreign investment, export and import markets.²⁰⁶ With the current regime of the in Beijing being pragmatic, it has made the calculation that upsetting the status quo would not be beneficial.

Were China and Taiwan to reunify peacefully, the dynamics of the situation with regard to relations between Japan, China and the United States would change. The largest impediment to the U.S.-China relationship would be removed from the equation. Since one interaction influences the outcomes of other situations, Japan would likely reevaluate its own relationship with the United States.²⁰⁷ The major reason for continued U.S. troop presence in Asia would be removed.²⁰⁸ Japan would, in the case of diminished U.S. engagement in Asia, need to reexamine its current stance on Article Nine of its constitution.²⁰⁹ Japan currently has a quite robust military, but is only allowed to use it in a self defense role based on its constitution. As discussed above this has allowed it to become the economic power it is today. Without the guarantee of U.S. assistance and protection in the event of aggression Japan would be forced to provide for its own security. It would not take much for the Japanese to turn their SDF into an actual military. With the U.S. technology they have benefited from the last several decades; it would be a formidable opponent for any state.²¹⁰

²⁰⁵ This statement is based on CIA world fact book comparison of GDP official exchange rate for 2007.

²⁰⁶ Wayne Morrison, *China's Economic Conditions*, (Washington, D.C.: Congressional Research Service, 13 July 2007, 11.

²⁰⁷ Jervis, 61.

²⁰⁸ Pyle, 346.

²⁰⁹ The Constitution of Japan, 3 November 1946.

²¹⁰ Japan is a U.S. partner in the continued development of the AEGIS Weapons System. They also have several advanced RADAR systems of U.S. origin as well as BMD technology.

The alliance provides a nuclear umbrella for Japan, which in turn provides a powerful deterrent to any nation that would consider the use of nuclear weapons against the island nation. This agreement helps ensure Japan does not become a nuclear power.²¹¹ Should Japan become a nuclear power, an arms race could conceivably break out in Asia. South Korea would not be keen to have a nuclear Japan in its backyard. The South Koreans would in this case most likely attempt to obtain their own nuclear capability. This would throw off the strategic balance of the entire world. Some have argued that a domino effect could take place, whereby other currently non-nuclear nations would feel compelled to become so in order to ensure their own security, leading to a less stable global security environment. The presence of U.S. troops on Japanese soil provides for continued security and deters against such a contingency.

However, as some have suggested, nuclear weapons by themselves do not necessarily deter.²¹² The other side has to believe one is willing to use them in order for the deterrent effect to work. As the only nation ever to experience the horrific effects of atomic destruction, it is difficult to say whether or not Japan would consider approving legislation to change its constitution and bring such a weapon to bear on an adversary.

C. CONCLUSION

Regardless of the current situation, the changes brought about by the reunification of China and Taiwan would be felt in Washington and Tokyo. The greatest impediment to the U.S.-China relationship would be removed. The need for the United States to remain an active military participant in Asian affairs would no longer exist. Economically, the United States will continue to increase its footprint in Asia for the foreseeable future. As China rises, the opportunities for cooperation in responsible energy consumption and discovery will become greater. Should the reunification of China and Taiwan be accomplished in a peaceful manner, the strong economic ties that currently exist between China and the United States will continue and most likely improve.

²¹¹ Pyle, 252.

²¹² Adam Garfinkle, "Culture and Deterrence," *Foreign Policy Research Institute E-Notes*, 25 August 2006, 2.

Continued diplomatic inroads between the two countries would also likely continue.²¹³ The best options for the United States would be positive incentives towards the China in this scenario.

The relationship with Japan and China is centuries old and exceedingly complex. Japan has many options when dealing with a reunified China and Taiwan. Given their shared history, some outcomes are more likely than others. The current regimes of both countries have proven themselves to be pragmatic when dealing with international relations. China is wary of the militarization of Japan and visa versa. This would likely only intensify in the wake of lowered U.S. commitments to the security of Japan. The Japanese would look to increase their military capabilities while at the same time continuing to remain economically strong in the region. Balancing would be a better option for the Japanese than bandwagoning with regards to China. Through the deterrence provided by an improved military capability, the Japanese would be in a better position to balance against a unified China and Taiwan and help safeguard continued stability in the region.

²¹³ Cliff, 19.

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